GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2954
ANSWERED ON:15.03.2016
Government Pharmacies
Sathyabama Smt. V.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has any plan to start Government Pharmacies to provide medicines and drugs for the needy poor people free of cost or at low cost;
(b) if so, the details thereof;
(c) whether the Government has taken up the issue with the drug manufacturers to check the improper methods of the sale of drugs being adopted by them;
(d) if so, the outcome thereof and the further steps taken by the Government in this regard; and
(e) the steps taken by the Government to check the sale and use of banned drugs in the pharmacies and hospitals in the country?

Answer

MINISTER OF STATE IN MINISTRY OF CHEMICALS AND FERTILIZERS
(SHRI HANSRAJ GANGARAM AHIR)

(a) and (b) : With a view to achieving the objective of making available quality medicines at affordable prices, the Government has been taking several regulatory and fiscal measures from time to time. In order to provide further relief to the common man in the area of healthcare, a countrywide campaign for ensuring availability of generic medicines at affordable prices to all, in the name of "Jan Aushadhi", was launched by the Department of Pharmaceuticals in November, 2008 in collaboration with the State Governments as a direct market intervention strategy.
Under the Jan Aushadhi Scheme, those Jan Aushadhi Stores proposed within Government hospital premises, a one-time financial assistance to the extent of Rs.2.50 Lakh (Rs. 1 Lakh for furnishing, Rs. 50000/- for computer and peripherals, Refrigerator etc. and another Rs 1 Lakh worth medicines to commence operations) is granted. Besides, the Jan Aushadhi Stores run by private entrepreneurs/ pharmacists/ Non-Governmental Organizations/ charitable organizations that are linked with the Bureau of Pharma Public Sector Undertakings of India (BPPI), the implementing Agency through internet will get an incentive upto Rs. 1.50 lakh. This will be given @ 10% of monthly sales subject to a ceiling of Rs. 10,000/ per month upto a limit of Rs.1.5 lakhs. In North-Eastern States, Naxal Affected areas and tribal areas, the rate of incentive will be 15% and subject to a monthly ceiling of Rs. 15,000 and total limit of Rs. 1.5 lakhs. The margin available for the Retailers is upto 20% and for Distributors upto 10% has also been increased so as to ensure a reasonable level of profitability for them.

(c) to (e) : The Department of Pharmaceuticals has prepared a Uniform Code of Pharmaceuticals Marketing Practices (UCPMP) which is being adopted voluntarily by Pharmaceutical Companies including Medical Devices Industries with effect from 01.01.2015 and it has last been extended up to 31.03.2016. This was reviewed and it has now been decided to make the same statutory.
The manufacturing, sale and distribution of drugs in the country are regulated under the provisions of Drugs & Cosmetics Act, 1940 and Rules, 1945 made thereunder through a system of licensing and inspection. License for manufacturing, sale and distribution of drugs are granted by State Licensing Authorities appointed by respective State Governments.
Selling of banned drugs is a violation of Section 18(c) of the said Act and punishable with imprisonment for a term which shall not be less than one year but which may be extended to two years and with fine.
State Licensing Authorities are legally empowered to take action against violations of any of the conditions of such Licenses including sale of banned drugs.
The meetings of Drugs Consultative Committee (DCC), a Statutory Committee under the said Act, comprising of all States /UTs Drug Controllers as members are held from time to time and various issues related to manufacturing, sale and distribution of drugs are discussed/deliberated and decisions are taken for effective & uniform implementation of the various provisions of the said Act & Rules.
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